



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
February 20, 2013**

**1. Call to Order and Roll Call
Library Board**

Mark Sturing, President
Willy Mena, Vice President
David Margolis, Treasurer
Larry Czekaj, Board Member
Ramesh Verma, Board Member

Absent and Excused

Larry Kilgore, Board Member
Scott Teasdale, Secretary

Student Representatives

Jessica Mathew
Torry Yu

Library Staff

Julie Farkas, Director
Diana Gertsen, Office Assistant

The meeting was held at the Novi Civic Center Council Chambers, 45175 W. Ten Mile Road, Novi, Michigan, 48375, and was called to order by Mark Sturing, President at 7:00 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Approval and Overview of Agenda

Library Board Treasurer, David Margolis announced that last minute financials for the month of January were received, and a Treasurer's Report will be given. Therefore, Items **#9B** and **#9C** under **Treasurer's Report** need to be amended.

A motion was made to approve the February 20, 2013 Agenda as modified.

1st – Mark Sturing
2nd – Ramesh Verma

The motion was passed unanimously.

4. Consent Agenda

A motion was made to approve the February 20, 2013 Consent Agenda as presented.

1st – David Margolis
2nd – Willy Mena

The motion was passed unanimously.

5. Correspondence

There was no Correspondence.

6. Presentation

There was no Presentation.

7. Public Comment

There was no public comment.

8. President's Report

A. Goals Document 2012-2013

- The Library received a \$500.00 gift card to Amazon for winning the "Old Meets New" photo contest put on by the American Library Association. Electronic Service Librarian, Evan Smale submitted a historical photo that was superimposed and put on Pinterest to signify the new type of social media being used with old photos.
- The Library hosted "Food for Fines" on February 14, 15, and 16. Patrons who had overdue fines were given the opportunity to bring in donated can goods and dry goods for three days and receive up to \$10.00 off

their accounts. The Library donated approximately twenty (20) boxes of food to the two (2) food banks in Novi.

- The Library was open on Martin Luther King Day, and provided a number of new programs which included, an inter-active exhibit, youth programming during the day, and a discussion panel in the evening. There was a good turnout for all the programs.
- Configuration of the work stations purchased on behalf of the Historical Commission for the Local History Room has been completed.

9. Treasurer's Report

A. Library Budget 2012-2013

The 2012-2013 Budget dated February 15, 2012 is included in the February 20, 2013 Library Board Packet on pages 20-21. There are no changes since the last meeting.

B. Library Financials and Walker Fund – January 2013

The Financials were not included in the February 20, 2013 Library Board Packet. They were distributed as a separate hand-out at the February 20, 2013 Library Board meeting.

C. Financial Review – January, 2013, David Margolis - Treasurer

It was not a good month for Library Revenues.

First there was another reduction in recognized Property Tax Revenues for the month. Then, there was a rather large loss in market-value fluctuations recognized in the month of January.

As a result, January 2013 was the second highest costliest month of this fiscal year (only superceded by the month of October 2012) and there were only two pay-periods.

As is my philosophy (*for monitoring purposes*), I've taken the entire year's expected Expenditures of **\$2,738,900** and divided them equally over the course of twelve months to create an Average Monthly Budget consumption of **\$228,241.67** (or **8.33%** per month) to use as a benchmark for comparing actual spending against.

Financial activity for the month of January:
(details continued on next page)

LIBRARY FUND (Fund #268)

BALANCE SHEET (page #XX)

Cash was decreased by **(-\$190,615.53)** or **(-5.42%)** during the month, and it could've been worse if all the vouchers were paid.

Current Taxes Receivable were reduced again, this time in the amount of **(-\$11,981.63)** or by another **(-17.25%)**.

TOTAL ASSETS = **\$3,387,715.29**, which are **(-\$202,597.16)** or **(-5.65%)** lower than last month)

LIABILITIES = Changes for the month were only in **Accounts Payable**, which increased by **+\$37,655.57** or **+151.92%** for a net increase in **Total Liabilities** of **+\$37,655.57** or by **+23.57%** for the month, with an ending balance up to = **\$197,438.46**

FUND BALANCE = As a result, **NET Revenues and Expenses** (for the current month) were decreased by **(-\$240,252.73)** or **(-21.49%)** leaving an Ending Fund Balance at 1-31-2013 of **\$3,190,276.83** (down **-5.98%** from last month).

REVENUES AND EXPENDITURES (pgs. XX+ XX)

REVENUES – As previously mentioned, there was a reduction in **Current Property Tax Revenues (-\$4,494.66 or -0.21%)**; **Investment Earnings (A/C# 268-000.00-664.000)** of **\$1,194.26** collected; but there was monthly **Investment Losses (A/C# 664.500)** of **(-\$6,950)** recognized. For the Seven-Months Year-to-Date, the Library Fund Portfolio has sustained Net Valuation Losses of **(-\$2,103)**. **Total Revenues** for the month of January were only **\$1,700.18** for a Year-to-Date total of **\$2,388,435.15**, which is **98.14%** of the total annual Budget.

EXPENDITURES – with the current fiscal year commencing on July 1st and with seven (7) months now under our belt, we're going to measure actual Expenditures utilization against the **58.33%** monthly pro-ration of the Budget estimated.

Personal Services – The total amount spent in this category during the month, **\$128,664.95** or **7.06%** of the annual Budget, is well below the average monthly allocations (of \$152K), and the second lowest month this fiscal year. On a Seven-Month Year-to-Date basis, we've used **52.40%** of this category's budget. At the end of January, Personal Services expended represent **39.95%** of Revenues (compared to the **43.65%** budgeted).

Materials and Supplies – After a brief spending “Holiday” last month, we spent the most (in this category) of any month this fiscal year. Library Materials alone were a combined \$49,733.41 for **Books, Periodicals, AudioVisual and Electronic Media**) during the month of January. As a result, we spent a total of \$60,505.77 for the month (in this **Materials/Supplies** category) which is **12.46%** of Budget for a Year-to-Date total of **58.27%** (vs. the 58.33% benchmark); and which represents **11.84%** of Revenues (compared to **11.64%** budgeted).

Services and Charges – For the month, we spent \$53,479.63 or **12.82%** of this Category’s Budget (and **62.06%** Year-to-Date) - with several line-items out of the norm (*see below*). The combined Seven-month Year-to-Date 2013 spending represents **10.84%** of Revenues (greater than the **10.00%** budgeted).

Some of the items worth citing for the month are:

#818.000	TLN Central Svcs.	-\$ (689.22)
#855.000	TLN Automation Svcs.	+ 15,945.33
#880.000	Community Promotion	+\$ 1,170.39
#921.000	Heat	+\$ 3,970.59
#923.000	Water and Sewer	+\$ 1,194.80
#934.000	Building Maintenance	+\$ 7,344.44
#941.000	Grounds Maintenance	+\$ 4,993.60

Capital Outlays or Contingencies – There were NO expenditures in this category during the month of January.

TOTAL EXPENDITURES – for the month of January, we spent a total of \$242,650.35 (or **8.86%** of the budget vs. **8.33%** norm), (and above the equal monthly gauge of \$228,241.67). For the Seven-months so far this fiscal year, we’ve spent **55.17%** of the Budget (vs. normalized 58.33%). This amount is **63.26%** of Revenues, and is slightly less than fiscal year budget expectations of **65.60%**.

WALKER FUND (Fund #269) (*pg. XX + XX*)

REVENUES –To reiterate from earlier meetings, with the start of a new fiscal year, we re-set our Cumulative Revenues and Expenditures to zero and begin anew with NO budgetary expectations. There will be some Interest earned on Investments and we’ll track Market Value fluctuations over the course of the year. However, we’ve set NO formal expectations for Donations or Event Transfers (*i.e.* next year’s *Book It!*), so anything generated will all be positive.

For January, **Total Revenues** were down **(-\$1,022.09)** or **(-3.03%)** during the month, for a Year-to-Date total of **\$32,781.57**; with **\$2,555.50** or **(+11.09%)** from **Donations**, but **(-\$3,577.59)** (or **-33.26%**) from **Investment Earnings** since last month. Of the **Interest Income Revenues** recognized, **\$106.41** was from direct **Interest** (A/C# 664.000) and **(-\$3,684.00)** in **Unrealized Market Valuation Losses** (A/C# 664.500).

Breakdown of January Donation Revenues:

#665.271	General – Youth Collections	\$ 45
#665.267	Programming – Book It!	\$ 1,500
#665.283	Novi Newbies	\$ 300
#665.287	Crop for a Cause	\$ 336
#665.274	Brick Pavers	\$ 375

EXPENDITURES – there were expenditures for the month of January from the Walker Fund of **\$1,375.00** spent from the Friends’ designated donation.

NET REVENUES OVER EXPENDITURES – As a result, they were decreased by **(-\$2,397.09)** (or **-9.25%**) during the month of January, for a NET Year-to-Date balance of **\$23,515.91**

BALANCE SHEET – as a result of January activity, **Cash** in the Fund was decreased by **(-\$1,067.09)** or **(-0.07%)** along with an **Accounts Receivable** (due from the General Fund) of **+\$45** and an **Accounts Payable** liability increase of **+\$1,375.00**; thus **Un-Restricted Current Year Fund Balance** decreased by **(-\$2,397.09)** for the month or **(-9.25%)**

TOTAL WALKER ASSETS = \$1,559,906.22

TOTAL LIABILITIES = \$ 1,375.00

TOTAL FUND BALANCE = \$1,558,531.22

Restricted Fund Balance = \$ 90,251.09

Un-Restricted Fund Balance = \$1,468,280.13

COMBINED LIBRARY INVESTMENTS *(see separate Report)*

LIBRARY FUND (#268) @ 1-31-2013 FMV

TOTAL FUND #268 \$ 3,329,702

WALKER FUND (#269) @ 1-31-2013 FMV

TOTAL FUND #269 \$ 1,559,861

COMBINED LIBRARY INVESTMENTS = \$ 4,889,563

During the month of January 2013, Library Fund (#268) Investments were decreased by **(-\$190,935)** or **(-5.43%)**; while Walker Funds (#269) went down in value **(-\$1,067)** or **(-0.07%)**.

If we combine the Balance Sheets of both Funds (#268 and #269), we would show Total Combined Fund Balances = \$3,329,702.22 + \$1,559,861.22 = **\$4,889,563.44**

This reflects a net decrease in Combined Fund Balances of **(-\$192,002)** or **(-3.78%)** during the month of January.

D. Library Café Revenue Report – due the 15th of the month – December 2012

The Library Café Revenue Report for the month of December, 2012 is included in the February 20, 2013 Library Board Packet on page 22.

10. Director's Report

A detailed report from Director, Julie Farkas, is provided on pages 23-24 of the February 20, 2013 Library board Packet. Highlights of the report are:

- The second Annual Budget Session is scheduled for Saturday, February 23, 2013 at 8:00 a.m. in the small meeting room on the 2nd floor of the Library.
- "Food for Fines" was a success. This opportunity will be offered again in the future.
- The Novi News gave recognition to the Novi Youth Assistance for their \$200.00 donation to the Library Teen Space. The donation was used to purchase additional games and furniture. The Teen Space has become very popular, and averages forty-fifty teens per day. The article from the Novi News is included on page 46 of the February 20, 2013 Library Board Packet.
- Steve & Rocky's has agreed to be a platinum sponsor for the "Book-It" Fundraiser. They will provide the appetizers and desserts for the event. The Committee has met, and has started soliciting Novi businesses for raffle and live auction items.
- Kudos to Evan Smale, Electronic Services Librarian for submitting the winning entry in the "Old Meets New" Library Photo Contest.

A. Letter of Intent for Lease Extension – Gary & Lola Bernstein

A letter from Gary and Lola Bernstein regarding a three year lease renewal for the Read-a-Latte Café is included on page 25 of the February 20, 2013 Library Board Packet. Trustees Larry Czekaj and Willy Mena will review the current lease for any changes or options, and will meet with Gary and Lola by June 2013.

B. Library Café: Food Service Establishment Inspection Report, Oakland County

The Food Service Establishment Inspection Report is provided on pages 26-29 of the February 20, 2013 Library Board Packet.

C. Policy P10: Computer Use Policy

Policy P10: Computer User Policy is provided on pages 30-33 of the February 20, 2013 Library Board Packet.

D. Public Services Report

The Public services Report is provided on pages 34-35 of the February 20, 2013 Library Board Packet.

E. Building Operations Report

The Building Operations Report is provided on page 35 of the February 20, 2013 Library Board Packet.

F. Library Usage Statistics – December 2012

The January statics are provided on pages 36-40 of the February 20, 2013 Library board Packet. Highlights include:

- 363 Library cards issued
- 66,428 items checked out
- Number of items borrowed from TLN – 4,672
- Number of items borrowed from MEL – 106
- Number of items loaned through TLN – 5,853
- Number of items loaned through MEL – 123
- 57.95% of all items checked out were completed on self – checkout stations
- Total Circulation 66,428

11. Friends of Novi Library Report

A. No Meeting Scheduled for February 2013

There was no report.

12. Student Representatives' Report

The Student representatives' Report is provided on page 41 of the February 20, 2013 Library Board Packet. Highlights of the report are:

- Teens are enjoying the new games and furniture purchased from the \$200.00 donation from the Novi Youth Assistance and matched by the Novi Public Library.
- The Teen Space currently averages 35 teens per session.
- Several teens volunteered to help with crafts and story time on Martin Luther King Day.
- Teen forum in the evening had a good discussion.
- Student Reps Jessica and Torry are meeting with Miss Margi on a monthly basis to discuss goals and upcoming projects.
- Teen writing contest entries are due at 5:00 p.m. on Friday, March 8th.
- The Coloring Page De-stresser is scheduled for Wednesday, March 21, 2013 at 3:00 p.m.
- The ACT/SAT test prep program is Wednesday, March 27, 2013 at 7:00 p.m.

- Teen Tech week begins March 10, 2013. Teens that check in at the Library via Face Book are eligible to receive a prize that can be picked up at the 1st floor information desk.
- There is an active search for a new Student Rep to replace Torry as his term ends in a few months.

13. Historical Commission

There was no report provided.

14. Committee Reports

A. Policy Committee (Margolis, Teasdale, Kilgore – chair)

There was no report provided.

B. HR Committee (Kilgore, Verma – chair)

There was no report provided.

C. Finance Committee (Czekaj, Teasdale, Margolis – chair)

There was no report provided.

D. Fundraising Committee (Sturing, Mena – chair)

There was no report provided.

E. Strategic Planning Committee (Kilgore, Sturing, Mena – chair)

There was no report provided.

F. Landscape Committee (Kilgore, Margolis, Czekaj – chair)

There was no report provided.

15. Public Comment

There was no public comment.

16. Matters for Board Action

A. Revision to policy P10: Computer Use Policy

New language from the Children's Internet Protection Act was received from The Library Network. The current Policy with the added changes in red is located on pages 30-33 of the February 20, 2013 Library Board Packet.

Director, Julie Farkas, asked the Library Board to accept the new language added to the Children's Internet Protection Act. By accepting the new language, Novi Public Library would remain in compliance with The Library Network, and continue to receive its Annual E-rate from the Federal Government, which is approximately \$8,000 per year. If accepted, the Computer Use Policy with the new language would be in effect as of February 20, 2013.

The Board Members were receptive to the new language that was added to the existing policy without any further discussion.

A motion was made to accept the Computer Use Policy changes that are recommended.

1st – David Margolis

2nd – Larry Czekaj

The motion passed unanimously.

17. Adjourn

A motion was made to adjourn the meeting at 7:35 p.m.

1st – Willy Mena

2nd – Larry Czekaj

The motion was passed unanimously.



March 20, 2013

Mark Sturing, President

Date